



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645

512-804-4000 telephone • 512-804-4811 fax • www.tdi.texas.gov

AMENDED MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

MEDME SERVICES CORPORATION

Respondent Name

EL PASO COUNTY

MFDR Tracking Number

M4-13-1493-02

Carrier's Austin Representative

Box Number 19

MFDR Date Received

FEBRUARY 14, 2013

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "The TENS unit was approved by the carrier and subsequently paid. The supplies are being partially paid and the paid codes are being paid below MFS for the state of Texas. The fee guidelines are being ignored by the payor and we do not have a negotiated contract for reduced fees with this carrier. The submitted documentation supports proper MFS payment for each properly and appropriately billed code for the supplies received each month by the patient according to the prescribing physician's prescription."

Amount in Dispute: \$1,338.06

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "A TENS unit was purchased on October 20, 2011. The provider has submitted two DME supply orders dated October 27, 2011 and May 30, 2012. Neither order establishes why it is necessary to replace wires (A4557) or batteries (A4630) on a monthly basis. Therefore, no allowance is recommended for either of these items. The order dated October 27, 2011 expired on April 27, 2012. Therefore, no allowance should have been recommended for date of service April 30, 2012 as the other order is dated May 20, 2012. Consequently, there is an overpayment of \$122.56 for April 30, 2012. There is no submitted documentation that justifies billing procedure code L0625 for lumbar supports on a monthly basis. The Official Disability Guideline states there is strong and consistent evidence that lumbar supports were not effective in preventing neck and back pain. Therefore, no additional allowance is recommended for this code."

Response Submitted by: Argus

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
March 30, 2012 April 30, 2012 May 30, 2012 July 30, 2012 August 30, 2012 September 28, 2012 October 30, 2012	HCPCS Code A4595-NU (X4) Electrical stimulator supplies, 2 lead, per month, (e.g., TENS, NMES)	\$87.94 \$87.94 \$85.18 \$85.18 \$85.18 \$93.18 \$93.18	\$615.30
March 30, 2012 April 30, 2012 May 30, 2012 June 30, 2012 July 30, 2012	HCPCS Code A4557-NU (X2) Lead wires (e.g., apnea monitor), per pair	\$56.68/each X 8 = \$453.44	\$453.28

August 30, 2012 September 28, 2012 October 30, 2012			
March 30, 2012 April 30, 2012 May 30, 2012 June 30, 2012 July 30, 2012 August 30, 2012 September 28, 2012 October 30, 2012	HCPCS Code A4630-NU Replacement batteries, medically necessary, transcutaneous electrical stimulator, owned by patient	\$8.39/each X 8 = \$67.12	\$0.00
March 30, 2012 April 30, 2012 July 30, 2012 August 30, 2012 September 28, 2012 October 30, 2012	HCPCS Code L0625 Lumbar orthosis, flexible, provides lumbar support, posterior extends from L-1 to below L-5 vertebra, produces intracavitary pressure to reduce load on the intervertebral discs, includes straps, closures, may include pendulous abdomen design, shoulder straps, stays, prefabricated, off-the-shelf	\$8.40/each X 6 = \$50.40	\$50.34
May 30, 2012	HCPCS Code L0625-NU Lumbar orthosis, (see above for full descriptor)	\$64.14	\$0.00
TOTAL		\$1,338.06	\$1,118.92

FINDINGS AND DECISION

This **amended** findings and decision supersedes all previous decisions rendered in this medical payment dispute involving the above requestor and respondent.

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.305 sets forth general provisions regarding dispute of medical bills.
2. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
3. 28 Texas Administrative Code §133.250, effective May 2, 2006 requires the provider to request reconsideration of a medical bill prior to seeking dispute resolution.
4. 28 Texas Administrative Code §134.203 effective March 1, 2008, sets the reimbursement guidelines for the disputed service.
5. The services in dispute were reduced/denied by the respondent with the following reason codes:
 - W1A – Workers Compensation State Fee Schedule Adjustment. Reimbursement per Rule 134.203/134.204 Prior to March 1, 2008, Rule 134.2002.
 - 97K – The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated. Code is considered a "Separate Procedure" per AMA Guidelines. Service(s)/Procedure is considered an integral component.
 - 97H – The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated. Service(s)/Procedure is included in the value of another service/procedure billed on the same date.
 - 50D-These are non-covered services because this is not deemed a 'medical necessity' by the payer. Upon review, documentation as submitted does not support the medical necessity of this service.
 - 97G-The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated. Supplies are included in the rental/or purchase.
 - 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly
 - 193W – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly. Previous recommendation was in accordance with the Workers' Compensation State Fee Schedule.
 - W3-Additional payment made on appeal/reconsideration.

Issues

1. Does a medical necessity issue exist in this dispute?
2. Is the requestor eligible for medical fee dispute resolution for HCPCS code L0625 rendered on May 30, 2012?
3. Was the response submitted in accordance with 28 Texas Administrative Code §133.307?
4. Is the requestor entitled to additional reimbursement for HCPCS code L0625-NU?
5. Is the requestor entitled to additional reimbursement for HCPCS Code A4595-NU?
6. Is the value of HCPCS code A4557 included in the value of another service/procedure rendered on the disputed dates of service? Is the requestor entitled to reimbursement for HCPCS code A4557?
7. Is the value of HCPCS code A4630 included in the value of another service/procedure rendered on the disputed dates of service? Is the requestor entitled to reimbursement for HCPCS code A4630?

Findings

1. According to the explanation of benefits, the respondent denied reimbursement for HCPCS code L0625 rendered on July 30, 2012, and August 30, 2012 based upon reason code "50D." The Division finds that upon reconsideration, the respondent paid \$55.74 for each date of service; therefore, the respondent did not maintain this denial. The Division concludes that a medical necessity issue does not exist in this dispute.
2. A review of the Table of Disputed Services lists HCPCS code L0625 for date of service May 30, 2012 in the amount of \$64.14.

Former 28 Texas Administrative Code §133.307(b)(2) states " Provider Request. The provider shall complete the required sections of the request in the form and manner prescribed by the Division. The provider shall file the request with the MDR Section by any mail service or personal delivery. The request shall include:

(A) a copy of all medical bill(s), in a paper billing format using an appropriate DWC approved paper billing format, as originally submitted to the carrier and a copy of all medical bill(s) submitted to the carrier for reconsideration in accordance with §133.250 of this chapter (relating to Reconsideration for Payment of Medical Bills);

(B) a copy of each explanation of benefits (EOB), in a paper explanation of benefits format, relevant to the fee dispute or, if no EOB was received, convincing documentation providing evidence of carrier receipt of the request for an EOB."

28 Texas Administrative Code §133.250(h) states "If the health care provider is dissatisfied with the insurance carrier's final action on a medical bill after reconsideration, the health care provider may request medical dispute resolution in accordance with §133.305 of this chapter (relating to Medical Dispute Resolution - General)."

A review of the submitted documentation finds that the requestor did not submit any original or reconsideration medical bill or explanation of benefits, to support billing HCPCS code L0625 for date of service May 30, 2012. The requestor did not submit any convincing evidence that the bill for HCPCS code L0625 for date of service May 30, 2012 was submitted to the respondent. Based upon 28 Texas Administrative Code §133.307 and §133.250, the Division concludes that HCPCS code L0625 rendered on May 30, 2012 is not eligible for medical fee dispute resolution. As a result, reimbursement cannot be recommended.

3. The respondent states in the position summary that "The provider has submitted two DME supply orders dated October 27, 2011 and May 30, 2012. Neither order establishes why it is necessary to replace wires (A4557) or batteries (A4630) on a monthly basis. Therefore, no allowance is recommended for either of these items. The order dated October 27, 2011 expired on April 27, 2012. Therefore, no allowance should have been recommended for date of service April 30, 2012 as the other order is dated May 20, 2012. Consequently, there is an overpayment of \$122.56 for April 30, 2012. There is no submitted documentation that justifies billing procedure code L0625 for lumbar supports on a monthly basis. The Official Disability Guideline states there is strong and consistent evidence that lumbar supports were not effective in preventing neck and back pain...The DME supply order indicated large electrodes (2X2). The descriptor for procedure code A4595 is for a two lead electrode. Therefore, the provider should have billed two units rather than four."

For dates of service prior to June 1, 2012, former 28 Texas Administrative Code §133.307(d)(2)(B) applies which states "The response shall address only those denial reasons presented to the requestor prior to the date the request for MDR was filed with the Division and the other party. Any new denial reasons or defenses

raised shall not be considered in the review. If the response includes unresolved issues of compensability, extent of injury, liability, or medical necessity, the request for MDR will be dismissed in accordance with subsection (e)(3)(G) or (H) of this section.”

28 Texas Administrative Code §133.307(d)(2)(F) states “The response shall address only those denial reasons presented to the requestor prior to the date the request for MFDR was filed with the division and the other party. Any new denial reasons or defenses raised shall not be considered in the review. If the response includes unresolved issues of compensability, extent of injury, liability, or medical necessity, the request for MFDR will be dismissed in accordance with subsection (f)(3)(B) or (C) of this section.

A review of the respondent's position summary finds that the respondent is raising new denial reasons or defenses that include the medical necessity for HCPCS code A4557 and A4630; documentation and compliance with the Official Disability Guideline for HCPCS code L0625; and documentation for HCPCS code A4595. The Division finds that these new denial reasons or defenses were not presented prior to MFDR; therefore, they will not be considered in the review.

4. As discussed above, the respondent did not support denial of reimbursement for HCPCS Code L0625 for dates of service July 30, 2012, and August 30, 2012. In addition, \$55.74 was paid for dates of service March 30, 2012, April 30, 2012, September 28, 2012 and October 30, 2012. The requestor contends that “codes are being paid below MFS for the state of Texas” and additional reimbursement is due.

Per 28 Texas Administrative Code §134.203(b)(1) “For coding, billing, reporting, and reimbursement of professional medical services, Texas workers’ compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules.”

Per 28 Texas Administrative Code §134.203(d) “The MAR for Healthcare Common Procedure Coding System (HCPCS) Level II codes A, E, J, K, and L shall be determined as follows: (1) 125 percent of the fee listed for the code in the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) fee schedule; (2) if the code has no published Medicare rate, 125 percent of the published Texas Medicaid fee schedule, durable medical equipment (DME)/medical supplies, for HCPCS; or (3) if neither paragraph (1) nor (2) of this subsection apply, then as calculated according to subsection (f) of this section.”

The 2012 DMEPOS fee schedule finds that HCPCS code L0625 has a fee of \$51.31; therefore, per 28 Texas Administrative Code §134.203(d), the MAR is $\$51.31 \times 125\% = \64.13 . $\$64.13 \times 6 \text{ dates} = \384.78 . The respondent paid $\$55.74 \times 6 \text{ dates} = \334.44 . The difference between the MAR and amount paid is \$50.34. As a result, reimbursement of \$50.34 is recommended.

5. According to the explanation of benefits, the respondent paid HCPCS code A4595NU based upon reason code “W1.”

The 2012 DMEPOS fee schedule finds that HCPCS code A4595 has a fee of \$30.95; therefore, per 28 Texas Administrative Code §134.203(d), the MAR is $\$30.95 \times 125\% = \38.68 . The requestor billed for four units each day; therefore, $\$38.68 \times 4 = \154.72 . This amount multiplied by seven (7) dates = \$1,083.04. The respondent paid \$66.82 multiplied by seven (7) dates = \$467.74. The difference between amount paid and due is \$615.30. As a result, additional reimbursement of \$615.30 is recommended.

6. According to the explanation of benefits, the respondent denied reimbursement for HCPCS code A4557 based upon unbundling. On the disputed dates of service, the requestor billed HCPCS codes A4595, A4630, A4557, L0625 and A9150 (not disputed).

Per 28 Texas Administrative Code §134.203(b)(1), the Division referred to CCI edits to determine if HCPCS code A4557 is a component of any other service billed on the disputed dates of service. The Division finds no CCI conflicts exist for billing HCPCS code A4557; therefore, reimbursement is recommended.

The 2012 DMEPOS fee schedule finds that HCPCS code A4557 has a fee of \$22.67; therefore, per 28 Texas Administrative Code §134.203(d), the MAR is $\$22.67 \times 125\% = \28.33 . The requestor billed for two units per date of service; therefore, $\$28.33 \times 2 = \56.66 multiplied by 8 dates = \$453.28. The respondent paid \$0.00. As a result, reimbursement of \$453.28 is recommended.

7. According to the explanation of benefits, the respondent denied reimbursement for HCPCS code A4630NU based upon unbundling.

Per Medicare reimbursement guidelines regarding TENS supplies, "A TENS supply allowance (A4595) includes electrodes, conductive paste or gel, tape or other adhesive, adhesive remover, skin preparation materials, batteries, and a battery charger." Therefore, the allowance of HCPCS code A4630NU is included in the value of code A4595. As a result, reimbursement is not recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$1,118.92.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$1,118.92 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

_____	_____	05/19/2014
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, 37 *Texas Register* 3833, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.